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David Maley Stark County Auditor's Office 110 Central Plaza, South, Suite 220 Canton, Ohio 44702-1410

Re: REA Fund Expenditures
Our File No. M101.00282

Dear Mr. Maley:

I have before me your e-mail request for our assistance in determining allowable expenditures from the real estate assessment fund. Specifically, you have asked if REAF monies can be used for tax collection. The question arises in conjunction with purchase of computer software to used by the auditor for assessment purposes, but which software has capabilities of use to the county treasurer.

The use of REAF monies is specifically dedicated to the assessment functions of the county auditor. The Ohio Administrative Code, § 5703-25-55 specifies the allowable expenditures from the REAF. It states, in part:

(B) Allowable expenditures by the county auditor from the real estate assessment fund consist of all costs incurred by the auditor related to the assessment of real property for taxation purposes, . . .

Allowable expenditures may be made for the following:

(3) Contracts, in whole or in part, for the purchase or lease of computer hardware and software, and the maintenance thereof, including consulting contracts related to the same, *used in the real property assessment process.* (Emphasis added.)

It further provides in subdivision (B)(3)(b) that:

In the case where the computer contract is for both assessment-related and nonassessment-related goods or services, the portion of computer hardware, software, maintenance, and consulting costs related to assessment purposes may be determined based on the percentage of time used for assessment related purposes, on the percentage of disc space utilized for assessment-related activities, or a combination of both items, or on any other reasonable method.

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> The applicable apportionment method is subject to the approval of the tax commissioner, which shall be final.

Nothing here permits the expenditure of REAF monies for non-assessment functions of the auditor or any other elected official. Furthermore, there is no authority here for expenditures remotely related to tax collection.

Further, the rule states in subsection (D) the following:

- (D) Expenditures *not allowable* from the real estate assessment fund may be divided into two categories: costs associated with activities of the county auditor related to real estate, but not to the assessment thereof by the county auditor; and costs associated with activities of the county auditor not related to real estate at all.
- (1) Costs associated with activities related to real estate, but not to the assessment thereof by the county auditor, include, but are not limited to, costs for the following activities:
- (a) *Preparation and printing* of the tax bills and the daily payment journal; . . . (Emphasis added.)

It is clear that expenses of the auditor not related to the assessment function may not be paid from REAF monies.

Given the strictures placed on the use of REAF monies by OAC § 5703-25-55, we must conclude that there is no authority for the expenditure of the same for tax collection. I trust this answers your question. If I may be of further service, please do not hesitate to write or call.

Very truly yours,

David M. Bridenstine

Assistant Prosecuting Attorney

David M. Bridgestine

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